

COMMITTEE ON LEGISLATIVE RESEARCH  
OVERSIGHT DIVISION

**FISCAL NOTE**

L.R. No.: 5746-01  
Bill No.: HB 2156  
Subject: Education, Higher  
Type: Original  
Date: February 1, 2016

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Bill Summary: This proposal changes the laws regarding the Missouri Returning Heroes' Education Act.

**FISCAL SUMMARY**

<b>ESTIMATED NET EFFECT ON GENERAL REVENUE FUND</b>			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
<b>Total Estimated Net Effect on General Revenue</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

<b>ESTIMATED NET EFFECT ON OTHER STATE FUNDS</b>			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
College & University	(Unknown greater than \$100,000)	(Unknown greater than \$100,000)	(Unknown greater than \$100,000)
<b>Total Estimated Net Effect on <u>Other</u> State Funds</b>	<b>(Unknown greater than \$100,000)</b>	<b>(Unknown greater than \$100,000)</b>	<b>(Unknown greater than \$100,000)</b>

Numbers within parentheses: ( ) indicate costs or losses.  
This fiscal note contains 6 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
<b>Total Estimated Net Effect on <u>All</u> Federal Funds</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
<b>Total Estimated Net Effect on FTE</b>	<b>0</b>	<b>0</b>	<b>0</b>

☒ Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
<b>Local Government</b>	<b>\$0</b>	<b>\$0</b>	<b>\$0</b>

## FISCAL ANALYSIS

### ASSUMPTION

**Oversight** was unable to receive some of the agency responses in a timely manner due to the short fiscal note request time. Oversight has presented this fiscal note on the best current information that we have or on prior year information regarding a similar bill. Upon the receipt of agency responses, Oversight will review to determine if an updated fiscal note should be prepared and seek the necessary approval of the chairperson of the Joint Committee on Legislative Research to publish a new fiscal note.

**Oversight** notes this proposal makes changes to the Missouri Returning Heroes' Education Act (Act). The Act requires that the public higher education institutions in this state limit the amount of tuition that is paid by combat veterans to \$50 per credit hour. Currently the tuition limitations are applied after all other federal and state aid is applied and no veteran can receive more aid than the actual cost of attendance. Oversight notes this proposal would apply the tuition limitation before other aid is calculated. Additionally, this proposal removes the restriction that total aid received can't be greater than actual tuition.

**Oversight** requested from the Department of Higher Education the amount of tuition and number of students whose tuition has been waived in the past under this program. The Department stated they do not routinely gather this information. The last time they asked the institutions for this information was 2011. At that time the institutions reported the one year tuition waiver listed below:

**Table 1 - Tuition Waived**

<b>Institution</b>	<b>Tuition Waived</b>	<b>Number of Students</b>
Crowder	\$3,967	11
East Central Community College	not reported	
Harris- Stowe	\$8,094	2
Jefferson College	\$12,215	24
Lincoln University	\$11,977	6
Metropolitan Community College	not reported	
Mineral Area Community College	\$608	1

<b>Institution</b>	<b>Tuition Waived</b>	<b>Number of Students</b>
Missouri Southern State University	\$7,690	10
Missouri State University	\$173,816	40
Missouri Western State University	\$18,311	12
Moberly Area Community College	\$28,935	40
North Central Community College	\$0	0
Northwest Missouri State University	\$9,730	4
Ozark Technical College	\$34,388	87
Southeast Missouri State University	\$84,766	56
St. Charles Community College	\$21,090	37
St. Louis Community College	not reported	
State Fair Community College	\$2,512	10
State Technical College of Missouri	\$33,061	11
Three Rivers Community College	\$4,702	13
Truman State University	\$0	0
University of Central Missouri	\$75,485	22
University of Missouri	\$443,586	207
<b>Total</b>	<b>\$974,933</b>	<b>593</b>

Source: Department of Higher Education

**Oversight** will show the loss of tuition to the institutions as Unknown greater than \$100,000.

Officials at the **Department of Higher Education** assume there is no fiscal impact from this proposal to the agency.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
<b>COLLEGES &amp; UNIVERSITIES</b>			
<u>Loss</u> - reduced tuition rate for veterans	(Unknown greater than <u>\$100,000</u> )	(Unknown greater than <u>\$100,000</u> )	(Unknown greater than <u>\$100,000</u> )
<b>ESTIMATED NET EFFECT ON COLLEGES &amp; UNIVERSITIES</b>	<b>(Unknown greater than <u>\$100,000</u>)</b>	<b>(Unknown greater than <u>\$100,000</u>)</b>	<b>(Unknown greater than <u>\$100,000</u>)</b>
<u>FISCAL IMPACT - Local Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
	<u><b>\$0</b></u>	<u><b>\$0</b></u>	<u><b>\$0</b></u>

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

This bill changes provisions of the Missouri Returning Heroes' Education Act that limit the amount of tuition all public institutions of higher education must charge a veteran. Currently, the tuition limitation must be provided after all other federal and state aid for which the veteran is eligible is applied and no combat veteran is permitted to receive more than the actual cost of attendance when the limitation is combined with other available aid. The bill changes the law to require the tuition limitation be provided before all other aid is applied and repeals the provisions prohibiting a veteran from receiving more than the actual cost of attendance when the limitation is combined with other available aid.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Higher Education

A handwritten signature in black ink that reads "Mickey Wilson". The signature is written in a cursive, flowing style.

Mickey Wilson, CPA  
Director  
February 1, 2016

Ross Strobe  
Assistant Director  
February 1, 2016